

FINANCIAL STATEMENTS ANNOUNCEMENT FOR THE PERIOD ENDED 30 JUNE 2014

1 (a) GROUP INCOME STATEMENT

	Group					
	2Q 2014	2Q 2013	Fav /	Half-year	Half-year	Fav /
	30/6/2014	30/6/2013	(Unfav)	30/6/2014	30/6/2013	(Unfav)
	\$'000	\$'000	%	\$'000	\$'000	%
Revenue	61,614	115,128	(46.5)	133,399	197,037	(32.3)
Cost of sales	(64,527)	(92,761)	30.4	(133,393)	(155,147)	14.0
Gross (loss)/profit	(2,913)	22,367	NA	6	41,890	(100.0)
Other income	48	71	(32.4)	316	125	152.8
General and administrative expenses	(2,606)	(11,431)	77.2	(6,989)	(17,582)	60.2
Interest income	5	6	(16.7)	9	10	(10.0)
Finance costs	(1,069)	(609)	(75.5)	(2,380)	(1,300)	(83.1)
(Loss)/ Profit before tax	(6,535)	10,404	NA	(9,038)	23,143	NA
Taxation	1,275	(1,776)	NA	1,867	(2,993)	NA
Net (loss)/ profit attributable to shareholders of the Company	(5,260)	8,628	NA	(7,171)	20,150	NA
NA - Not Applicable						
Profit before tax is arrived at after charging/(crediti	ng):					
Loss / (Gain) on disposal of propery, plant & equipment	605	(404)		833	(864)	
Depreciation	6,902	6,893		13,710	13,556	
Provision for doubtful debt	-	5,053		-	5,053	

	Group		Company	
	30/6/2014	31/12/2013	30/6/2014	31/12/2013
	\$'000	\$'000	\$'000	\$'000
Non-current assets				
Property, plant and equipment	349,939	356,867	-	-
Investment in subsidiaries	-	-	39,026	39,026
Amount due from subsidiaries	-	-	69,832	76,474
Investment in a joint venture	1,025	1,025	-	-
Other investment	140	140	-	-
Trade debtor	3,976	3,976	-	-
	355,080	362,008	108,858	115,500
Current assets				
Steel materials, at cost	63,072	64,373	-	-
Gross amount due from customers for				
contract work-in-progress	134,020	116,045	-	-
Trade debtors	27,002	35,684	-	-
Sundry debtors and deposits	5,419	5,395	-	1,226
Prepayments	980	2,442	-	22
Cash and bank balances	11,346	14,818	769	623
	241,839	238,757	769	1,871
Current liabilities				
Gross amount due to customers for				
contract work-in-progress	3,127	3,508	-	-
Trade creditors	68,252	57,453	-	-
Other creditors and accruals	8,822	11,286	279	439
Borrowings	71,290	50,815	-	-
Hire purchase creditors	8,022	8,427	-	-
Provision for taxation	540	245	6	13
	160,053	131,734	285	452
Net current assets	81,786	107,023	484	1,419
Non-current liabilities				
Borrowings	100,307	111,623	-	-
Hire purchase creditors	8,087	11,732	_	_
Deferred taxation	27,243	29,249	-	-
	135,637	152,604	-	-
Net assets	301,229	316,427	109,342	116,919
Equity	60 0 7 -	00.075	<u> </u>	00.075
Share capital	96,379	96,379	96,379	96,379
Reserves	204,850	220,048	12,963	20,540
	301,229	316,427	109,342	116,919

Increase in work-in-progress was due to unbilled work done for some of the on-going projects. Trade debtors decreased due to timing in billing and collection of receivables for on-going projects. Prepayments decreased due to prepaid expenses charged to profit and loss when they were incurred in the quarter.

Trade creditors increased due to timing in progress billings and payment of payables for on-going projects. Decrease in other creditors and accruals was mainly due to settlement of obligations in the quarter. Net borrowings increased due to higher working capital requirements.

	As at 30/06/14		As at 31/12/13	
	\$'000		\$'000	
	Secured	Unsecured	Secured	Unsecured
Amount repayable in one year or less, or on demand	11,376	67,936	11,709	47,533
Amount repayable after one year	13,394	95,000	18,355	105,000

Details of collateral:

Certain group borrowings (including HP creditors) are secured by way of a fixed charge on certain assets of the Group's principal subsidiaries.

1(c) GROUP CONSOLIDATED CASH FLOW STATEMENT

Add/(less): 0 0 0.893 13,710 13,550 Depreciation 6,602 6,893 13,710 13,550 Consumption allowance 1,159 1,764 2,077 2,28 Interest income (5) (6) (9) (1) Provision for doubtid debt - 5,053 - 5,063 Write back of impairment of receivable - (100) - (15) Loss/(Portit) on disposal of property, plant & equipment 605 (404) 833 (86 Effects of changes in foreign exchange 3,611 23,779 9,945 43,16 Increase in steel materials and work-in-progress (6,946) (16,857) (17,186) (35,44 Decrease/(Increase) in trade and other debtors 3,998 (15,003) 10,114 (4,21) (Decrease)/Increase in trade and other debtors 3,998 (15,003) 10,114 (4,21) Interest paid (1,069) (609) (2,310) (1,31) (3,52) Interest paid (1,069) (609)		2Q 2014 30/06/2014	2Q 2013 30/06/2013	Half-year 30/06/2014	Half-year 30/06/2013
Loss) Profit before tax (6,535) 10,404 (9,038) 23,14 Add/(ss); Depreciation 6,502 6,893 13,710 13,55 Consumption allowance 1,159 1,764 2,077 2,26 Interest spense 1,069 609 2,300 1,33 Provision for doubt/ul debt - 5,063 - 5,063 Uniterest spense 1,069 609 2,300 - 6,002 6,040 833 6(8) Loss(Profit) or disposal of property, plant & equipment 605 (404) 483 (1,11 Operating cash flows before changes in working capital 3,511 23,779 9,945 43,16 Increase in steel materials and work-in-progress (6,546) (16,857) (17,186) (55,46) Decrease/(Increase) in trade and other debtors 3,998 (15,003) 10,114 (4,22) Income tax refund/(paid) 516 (2,332) 190 (2,17) Interest paid (1,069) (609) (2,300) (1,33 Investing activities 7,922 (6,470) 8,943 (32		\$'000	\$'000	\$'000	\$'000
Add/(less): 0 0 0.893 13,710 13,550 Depreciation 6,602 6,893 13,710 13,550 Consumption allowance 1,159 1,764 2,077 2,28 Interest income (5) (6) (9) (1) Provision for doubtid debt - 5,053 - 5,063 Write back of impairment of receivable - (100) - (15) Loss/(Portit) on disposal of property, plant & equipment 605 (404) 833 (86 Effects of changes in foreign exchange 3,611 23,779 9,945 43,16 Increase in steel materials and work-in-progress (6,946) (16,857) (17,186) (35,44 Decrease/(Increase) in trade and other debtors 3,998 (15,003) 10,114 (4,21) (Decrease)/Increase in trade and other debtors 3,998 (15,003) 10,114 (4,21) Interest paid (1,069) (609) (2,310) (1,31) (3,52) Interest paid (1,069) (609)	Operating activities				
Depreciation 6,902 6,893 13,710 13,52 Consumption allowance 11,159 1,764 2,077 2,28 Interest income (5) (6) (9) (7) Interest expense 1,069 609 2,380 1,33 Provision for doubt/ul debt - 5,053 - 5,053 Write back of impairment of receivable - (100) - (100) Loss(Profit) or disposal of property, plant & equipment 605 (404) 83 (11,11) Operating cash flows before changes in working capital 3,511 23,779 9,945 43,162 Increase in steel materials and work-in-progress (6,946) (16,857) (17,186) (35,54) Decresse/(Increase) in trade and other debtors 3,998 (15,003) 10,114 (4,21) Increase in steel materials and work-in-progress 8,470 (3,535) 11,124 3,132 Increase in trade and other creditors 7,907 4,546 8,251 (356 Interest reindu/(paid) 516 (9,30)<	(Loss)/ Profit before tax	(6,535)	10,404	(9,038)	23,143
Consumption allowance 1,159 1,764 2,077 2,28 Interest income (5) (6) (9) (1 Interest spreame 1,069 609 2,380 1,33 Provision for doubtful debt - 5,063 - 5,063 United spreame 605 (4044) 833 688 Effects of theore spreame 316 (434) (8) (1,11 Operating cash flows before changes in working capital 3,511 23,779 9,945 43,16 Increase in steel materials and work-in-progress (6,946) (16,857) (17,186) (3,54 Decrease/(Increase in trade and other ceditors 3,988 (15,003) 10,114 (4,21 Cash flows from/(used in) operating activities 8,470 (3,535) 11,124 3,13 Increase pint dat equipment (1,069) (609) (2,300) (1,30 Increase flows from/(used in) operating activities 7,922 (6,470) 8,943 (32 Purchase of property, plant & equipment (5,585) (17,125)	Add/(less):				
Interest income (5) (6) (9) (1) Interest expense 1,069 600 2,380 1,33 Provision for doubtful debt - 5,053 - 5,06 Write back of impairment of receivable - (100) - (11) Loss/(Profit) on disposal of property, plant & equipment 605 (404) 833 (86 Effects of changes in toreign exchange 316 (434) (8) (1,11) Operating cash flows before changes in working capital 3,511 23,779 9,945 43,16 Increase in steel materials and work-in-progress (6,946) (16,857) (17,186) (35,44) Decrease/(increase) in trade and other creditors 7,907 4,546 8,251 (35 Cash flows from/(used in) operations 8,470 (3,535) 11,124 3,151 Income tax refund/(paid) 516 (2,32) 190 (2,17) Interest paid (1,069) (609) (2,380) (1,36) Net cash flows from/(used in) operating activities 7,922	Depreciation	6,902	6,893	13,710	13,556
Interest expense 1.069 609 2.380 1.33 Provision for doubtful debt - 5.053 - 5.05 Write back of impairment of receivable - (100) - (15 Loss(Pforti) or disposal of property, plant & equipment 316 (434) (8) (1,11 Operating cash flows before changes in working capital 3,511 23,779 9,945 43,166 Increase in steel materials and work-in-progress (6,946) (16,857) (17,186) (35,44 Decrease/(increase) in trade and other creditors 3,938 (15,003) 10,114 (4,21) Cash flows from/(used in) operations 8,470 (3,535) 11,124 3,131 Income tax refund/(paid) 516 (2,332) 190 (2,17) Interest paid (1,069) (609) (2,380) (1,30) Net cash flows from/(used in) operating activities 7,922 (6,470) 8,943 (32) Investing activities 7,922 (6,470) 8,943 (32) 1,72) (12,101) (28,77)	Consumption allowance	1,159	1,764	2,077	2,269
Provision for doubtlul debt - 5,053 - 5,053 Witte back of impairment of receivable - (100) - (110) Loss/(Profit) on disposal of property, plant & equipment 316 (434) (8) (1,11) Operating cash flows before changes in working capital 3,511 23,779 9,945 43,162 Increase in steel materials and work-in-progress (6,646) (16,857) (17,186) (35,44) Decrease/(Increase) in trade and other debtors 3,998 (15,003) 10,114 (4,22) (Decrease/(Increase) in trade and other creditors 7,907 4,546 8,251 (35 Income tax refund/(paid) 516 (2,332) 1190 (2,17) Interest received 5 6 9 1 Interest paid (1,069) (609) (2,380) (1,30) Net cash flows from/(used in) operating activities 7,922 (6,470) 8,943 (32) Investing activities (5,5017) (13,963) (9,742) (23,92) Procease of property, plant & equipment 568 3,162 2,359 4,75	Interest income	(5)	(6)	(9)	(10)
Write back of impairment of receivable - (100) - (152) Loss/(Profit) on disposal of property, plant & equipment 605 (404) 833 (68) Effects of changes in foreign exchange 316 (434) (8) (111) Operating cash flows before changes in working capital 3,511 23,779 9,945 43,16 Increase in steel materials and work-in-progress (6,946) (16,857) (17,186) (35,44) Decrease/(Increase) in trade and other creditors 7,907 4,546 8,251 (38) Cash flows from/(used in) operations 8,470 (3,535) 11,124 3,152 Increme tax refund/(paid) 516 (2,332) 190 (2,17) Interest paid (1,069) (609) (2,230) (1,33) Investing activities 7,922 (6,470) 8,943 (33) Investing activities 7,922 (6,470) 8,943 (33) Investing activities - - - - 56 Purchase of property, plant & equipment (5,585) (17,125) (12,101) (28,77) <td< td=""><td>Interest expense</td><td>1,069</td><td>609</td><td>2,380</td><td>1,300</td></td<>	Interest expense	1,069	609	2,380	1,300
Loss/(Profit) on disposal of property, plant & equipment 605 (404) 833 (66 Effects of changes in foreign exchange 316 (434) (6) (1,11 Operating cash flows before changes in working capital 3,511 23,779 9,945 43,16 Increase in steel materials and work-in-progress (6,946) (16,857) (17,186) (35,44 Decrease/(Increase) in trade and other debtors 3,998 (15,003) 10,114 (4,21) (Decrease)/Increase in trade and other creditors 7,907 4,546 8,251 (35 Income tax refund/(paid) 516 (2,332) 190 (2,17) Interest received 5 6 9 1 Interest received 5 6 9 1 Interest paid (1,069) (609) (2,380) (1,33) Purchase of property, plant & equipment (5,585) (17,125) (12,101) (28,77) Proceeds from disposal of property, plant & equipment 568 3,162 2,359 4,72 Investing activities (5	Provision for doubtful debt	-	5,053	-	5,053
Effects of changes in foreign exchange 316 (434) (8) (1,11 Operating cash flows before changes in working capital 3,511 23,779 9,945 43,16 Increase in steel materials and work-in-progress (6,946) (16,857) (17,186) (35,44 Decrease/(Increase) in trade and other debtors 3,998 (15,003) 10,114 (4,21 (Decrease)/Increase in trade and other creditors 7,907 4,546 8,251 (35 Cash flows from/(used in) operations 8,470 (3,535) 11,124 3,13 Income tax refund/(paid) 516 (2,322) 190 (2,17) Interest received 5 6 9 11 Interest paid (1,069) (600) (2,380) (1,362) Investing activities 7,922 (6,470) 8,943 (32,92) Investing activities (5,585) (17,125) (12,101) (28,77) Purchase of property, plant & equipment 568 3,162 22,0530 93,33 Investing activities (5,017) (13,963) (9,742) (23,92) (2,100) (12,264)	Write back of impairment of receivable	-	(100)	-	(150
Operating cash flows before changes in working capital3,51123,7799,94543,162Increase in steel materials and work-in-progress(6,946)(16,857)(17,186)(35,44Decrease/(Increase) in trade and other debtors3,998(15,003)10,114(4,21(Decrease)/Increase in trade and other creditors7,9074,5468,251(35Cash flows from/(used in) operations8,470(3,535)11,1243,13Income tax refund/(paid)516(2,332)190(2,11Interest received5691Interest received5691Interest paid(1,069)(609)(2,380)(1,36Net cash flows from/(used in) operating activities7,922(6,470)8,943(32Investing activities7,922(6,470)8,943(32Purchase of property, plant & equipment(5,585)(17,125)(12,101)(28,77Proceeds from disposal of property, plant & equipment5683,1622,3594,76Investment in a joint venture56911Proceeds from borrowings11,41179,76220,53099,33Repayment of borrowings(11,338)(52,0611,338)(52,06Issuance of ordinary shares(3,643)26,292(2,664)30,065Net cash flows (used in)/from financing activities(3,843)26,292(2,664)30,05Net (decrease)/increase in cash and cash equivalents(938) <td< td=""><td>Loss/(Profit) on disposal of property, plant & equipment</td><td>605</td><td>(404)</td><td>833</td><td>(864</td></td<>	Loss/(Profit) on disposal of property, plant & equipment	605	(404)	833	(864
Increase in steel materials and work-in-progress (6,946) (16,857) (17,186) (35,44) Decrease/(Increase) in trade and other debtors 3,998 (15,003) 10,114 (4,21) (Decrease)/Increase in trade and other creditors 7,907 4,546 8,251 (35) Cash flows from/(used in) operations 8,470 (3,535) 11,124 3,13 Income tax refund/(paid) 516 (2,332) 190 (2,17) Interest received 5 6 9 1 Interest paid (1,069) (609) (2,380) (1,30) Net cash flows from/(used in) operating activities 7,922 (6,470) 8,943 (32) Investing activities 7,922 (6,470) 8,943 (32) Proceeds from disposal of property, plant & equipment 568 3,162 2,359 4,75 Investment in a joint venture - - - 5 6 Dividend paid (7,601) (12,640) (7,601) (12,640) (7,601) (12,640) Proceeds from borrowings (5,523) (38,865) (11,338) (52,06)	Effects of changes in foreign exchange	316	(434)	(8)	(1,113
Decrease/(Increase) in trade and other debtors 3,998 (15,003) 10,114 (4,21) (Decrease)/Increase in trade and other creditors 7,907 4,546 8,251 (35) Cash flows from/(used in) operations 8,470 (3,535) 11,124 3,13 Income tax refund/(paid) 516 (2,332) 190 (2,17) Interest received 5 6 9 1 Interest paid (1,069) (609) (2,380) (1,36) Net cash flows from/(used in) operating activities 7,922 (6,470) 8,943 (32) Investing activities 7,922 (6,470) 8,943 (32) Investing activities 7,922 (6,470) 8,943 (32) Investing activities (5,585) (17,125) (12,101) (28,77) Proceeds from disposal of property, plant & equipment 568 3,162 2,359 4,756 Investing activities (5,517) (13,963) (9,742) (23,62) Dividend paid (7,601) (12,640) (7,601)	Operating cash flows before changes in working capital	3,511	23,779	9,945	43,184
(Decrease)/Increase in trade and other creditors 7,907 4,546 8,251 (38) Cash flows from/(used in) operations 8,470 (3,535) 11,124 3,133 Income tax refund/(paid) 516 (2,332) 190 (2,17) Interest received 5 6 9 1 Interest paid (1,069) (609) (2,380) (1,30) Net cash flows from/(used in) operating activities 7,922 (6,470) 8,943 (33) Investing activities 7,922 (6,470) 8,943 (33) Purchase of property, plant & equipment (5,585) (17,125) (12,101) (28,77) Investimg activities (5,017) (13,963) (9,742) (23,92) Investment in a joint venture - - - 5 Net cash flows used in investing activities (5,017) (13,963) (9,742) (23,92) Financing activities (5,513) (38,865) (11,338) (52,02) (5,530) 93,37 Proceeds from borrowings (11,111	Increase in steel materials and work-in-progress	(6,946)	(16,857)	(17,186)	(35,442)
Cash flows from/(used in) operations 8,470 (3,535) 11,124 3,135 Income tax refund/(paid) 516 (2,332) 190 (2,17) Interest received 5 6 9 11,124 3,135 Interest received 5 6 9 11,324 3,135 Interest paid (1,069) (609) (2,380) (1,325) Net cash flows from/(used in) operating activities 7,922 (6,470) 8,943 (32 Investing activities 7,922 (6,470) 8,943 (32 Purchase of property, plant & equipment 568 3,162 2,359 4,76 Investment in a joint venture - - - 5 Net cash flows used in investing activities (5,017) (13,963) (9,742) (23,92 Financing activities (5,523) (38,865) (11,338) (52,06 Dividend paid (7,601) (12,640) (7,601) (12,640) (12,640) Hire purchase instalments paid (2,130) (2,610) (4,255) (5,533) (38,865) (11,338) (52,06) <td>Decrease/(Increase) in trade and other debtors</td> <td>3,998</td> <td>(15,003)</td> <td>10,114</td> <td>(4,214</td>	Decrease/(Increase) in trade and other debtors	3,998	(15,003)	10,114	(4,214
Income tax refund/(paid) 516 (2,332) 190 (2,17) Interest received 5 6 9 1 Interest paid (1,069) (609) (2,380) (1,360) Net cash flows from/(used in) operating activities 7,922 (6,470) 8,943 (32 Investing activities 7,922 (6,470) 8,943 (32 Purchase of property, plant & equipment (5,585) (17,125) (12,101) (28,77) Proceeds from disposal of property, plant & equipment 568 3,162 2,359 4,75 Investment in a joint venture - - - 5 5 Net cash flows used in investing activities (5,017) (13,963) (9,742) (23,92 Financing activities (5,017) (12,640) (7,601) (12,640) (7,601) (12,640) Proceeds from borrowings (5,523) (38,865) (11,338) (52,06 Hire purchase instalments paid (2,130) (2,610) (4,255) (5,533) Issuance of ordinary shares<	(Decrease)/Increase in trade and other creditors	7,907	4,546	8,251	(391
Interest received 5 6 9 1 Interest paid (1,069) (609) (2,380) (1,30) Net cash flows from/(used in) operating activities 7,922 (6,470) 8,943 (32) Investing activities 7,922 (6,470) 8,943 (32) Purchase of property, plant & equipment (5,585) (17,125) (12,101) (28,77) Proceeds from disposal of property, plant & equipment 568 3,162 2,359 4,75 Investment in a joint venture - - - - 5 Net cash flows used in investing activities (5,017) (13,963) (9,742) (23,92) Financing activities (5,017) (13,963) (9,742) (23,92) Proceeds from borrowings (1,41,411 79,762 20,530 99,37 Repayment of borrowings (5,523) (38,865) (11,338) (52,06) Issuance of ordinary shares - - - 77 Net cash flows (used in)/from financing activities (3,843) 26,2	Cash flows from/(used in) operations	8,470	(3,535)	11,124	3,137
Interest paid (1,069) (609) (2,380) (1,30) Net cash flows from/(used in) operating activities 7,922 (6,470) 8,943 (32) Investing activities 7,922 (6,470) 8,943 (32) Purchase of property, plant & equipment (5,585) (17,125) (12,101) (28,77) Proceeds from disposal of property, plant & equipment 568 3,162 2,359 4,75 Investment in a joint venture - - - - 56 Net cash flows used in investing activities (5,017) (13,963) (9,742) (23,92) Financing activities (7,601) (12,640) (7,601) (12,640) (7,601) (12,640) (7,601) (12,640) (7,601) (12,640) (7,601) (12,640) (7,601) (12,640) (7,601) (12,640) (7,601) (12,640) (7,601) (12,640) (7,601) (12,640) (7,601) (12,640) (7,601) (12,640) (7,601) (12,640) (7,601) (12,640) (7,601) (12,640)	Income tax refund/(paid)	516	(2,332)	190	(2,173)
Net cash flows from/(used in) operating activities7,922(6,470)8,943(32Investing activities9urchase of property, plant & equipment(5,585)(17,125)(12,101)(28,77)Proceeds from disposal of property, plant & equipment5683,1622,3594,75Investment in a joint venture5Net cash flows used in investing activities(5,017)(13,963)(9,742)(23,92)Financing activities(7,601)(12,640)(7,601)(12,640)Dividend paid(7,601)(12,640)(7,601)(12,640)Proceeds from borrowings(5,523)(38,865)(11,338)(52,06)Repayment of borrowings(5,523)(38,865)(11,338)(52,06)Hire purchase instalments paid(2,130)(2,610)(4,255)(5,33)Issuance of ordinary shares(3,843)26,292(2,664)30,065Net (decrease)/increase in cash and cash equivalents(938)5,859(3,463)5,844Effect of exchange rate changes on cash and cash equivalents1-(9)1Cash and cash equivalents as at beginning of period12,28311,16414,81811,164	Interest received	5	6	9	10
Investing activities(5,585)(17,125)(12,101)(28,77)Proceeds from disposal of property, plant & equipment5683,1622,3594,75Investment in a joint venture56Net cash flows used in investing activities(5,017)(13,963)(9,742)(23,92)Financing activities(5,017)(13,963)(9,742)(23,92)Dividend paid(7,601)(12,640)(7,601)(12,640)Proceeds from borrowings11,41179,76220,53099,37Repayment of borrowings(5,523)(38,865)(11,338)(52,06)Hire purchase instalments paid(2,130)(2,610)(4,255)(5,32)Issuance of ordinary shares(3,843)26,292(2,664)30,05Net cash flows (used in)/from financing activities(938)5,859(3,463)5,84Effect of exchange rate changes on cash and cash equivalents(938)5,859(3,463)5,84Cash and cash equivalents as at beginning of period12,28311,16414,81811,164	Interest paid	(1,069)	(609)	(2,380)	(1,300
Purchase of property, plant & equipment (5,585) (17,125) (12,101) (28,77) Proceeds from disposal of property, plant & equipment 568 3,162 2,359 4,75 Investment in a joint venture - - - - 5 Net cash flows used in investing activities (5,017) (13,963) (9,742) (23,92 Financing activities (5,017) (12,640) (7,601) (12,647) Proceeds from borrowings (7,601) (12,640) (7,601) (12,640) Proceeds from borrowings (5,523) (38,865) (11,338) (52,06) Hire purchase instalments paid (2,130) (2,610) (4,255) (5,35) Issuance of ordinary shares - - - - 77 Net (decrease)/increase in cash and cash equivalents (938) 5,859 (3,463) 5,84 Effect of exchange rate changes on cash and cash equivalents 1 - (9) 1 Cash and cash equivalents as at beginning of period 12,283 11,164 14,818 11,164	Net cash flows from/(used in) operating activities	7,922	(6,470)	8,943	(326
Proceeds from disposal of property, plant & equipment5683,1622,3594,75Investment in a joint venture5Net cash flows used in investing activities(5,017)(13,963)(9,742)(23,92Financing activities(5,017)(13,963)(9,742)(23,92Financing activities(7,601)(12,640)(7,601)(12,640)Proceeds from borrowings11,41179,76220,53099,37Repayment of borrowings(5,523)(38,865)(11,338)(52,064)Hire purchase instalments paid(2,130)(2,610)(4,255)(5,365)Issuance of ordinary sharesNet cash flows (used in)/from financing activities(3,843)26,292(2,664)30,055Net (decrease)/increase in cash and cash equivalents(938)5,859(3,463)5,844Effect of exchange rate changes on cash and cash equivalents1-(9)1Cash and cash equivalents as at beginning of period12,28311,16414,81811,164	Investing activities				
Investment in a joint venture5Net cash flows used in investing activities(5,017)(13,963)(9,742)(23,92)Financing activities(5,017)(13,963)(9,742)(23,92)Dividend paid(7,601)(12,640)(7,601)(12,640)Proceeds from borrowings11,41179,76220,53099,37Repayment of borrowings(5,523)(38,865)(11,338)(52,06)Hire purchase instalments paid(2,130)(2,610)(4,255)(5,35)Issuance of ordinary shares-645-77Net cash flows (used in)/from financing activities(3,843)26,292(2,664)30,05Net (decrease)/increase in cash and cash equivalents(938)5,859(3,463)5,84Effect of exchange rate changes on cash and cash equivalents1-(9)11,164Cash and cash equivalents as at beginning of period12,28311,16414,81811,164	Purchase of property, plant & equipment	(5,585)	(17,125)	(12,101)	(28,775
Net cash flows used in investing activities(5,017)(13,963)(9,742)(23,92)Financing activities0/0,76010/12,6400/7,6010/12,6400/7,6010/12,640Dividend paid0/7,6010/12,6400/7,6010/12,6400/7,6010/12,640Proceeds from borrowings11,41179,76220,53099,37Repayment of borrowings0/5,5230/38,8650/11,3380/52,06Hire purchase instalments paid0/2,1300/2,6100/4,2550/5,35Issuance of ordinary shares-645-77Net cash flows (used in)/from financing activities0/3,84326,2920/2,66430,05Net (decrease)/increase in cash and cash equivalents1-0/91Cash and cash equivalents as at beginning of period12,28311,16414,81811,164	Proceeds from disposal of property, plant & equipment	568	3,162	2,359	4,798
Financing activities (7,601) (12,640) (7,601) (12,640) Proceeds from borrowings (11,411) 79,762 20,530 99,37 Repayment of borrowings (5,523) (38,865) (11,338) (52,06) Hire purchase instalments paid (2,130) (2,610) (4,255) (5,38) Issuance of ordinary shares - 645 - 77 Net cash flows (used in)/from financing activities (3,843) 26,292 (2,664) 30,05 Net (decrease)/increase in cash and cash equivalents (938) 5,859 (3,463) 5,84 Effect of exchange rate changes on cash and cash equivalents 1 - (9) 1 Cash and cash equivalents as at beginning of period 12,283 11,164 14,818 11,164	Investment in a joint venture	-	-	-	52
Dividend paid (7,601) (12,640) (7,601) (12,647) Proceeds from borrowings 11,411 79,762 20,530 99,37 Repayment of borrowings (5,523) (38,865) (11,338) (52,06) Hire purchase instalments paid (2,130) (2,610) (4,255) (5,35) Issuance of ordinary shares - 645 - 77 Net cash flows (used in)/from financing activities (3,843) 26,292 (2,664) 30,05 Net (decrease)/increase in cash and cash equivalents (938) 5,859 (3,463) 5,84 Effect of exchange rate changes on cash and cash equivalents 1 - (9) 1 Cash and cash equivalents as at beginning of period 12,283 11,164 14,818 11,164	Net cash flows used in investing activities	(5,017)	(13,963)	(9,742)	(23,925
Proceeds from borrowings 11,411 79,762 20,530 99,37 Repayment of borrowings (5,523) (38,865) (11,338) (52,06) Hire purchase instalments paid (2,130) (2,610) (4,255) (5,38) Issuance of ordinary shares - 645 - 77 Net cash flows (used in)/from financing activities (3,843) 26,292 (2,664) 30,09 Net (decrease)/increase in cash and cash equivalents (938) 5,859 (3,463) 5,84 Effect of exchange rate changes on cash and cash equivalents 1 - (9) 1 Cash and cash equivalents as at beginning of period 12,283 11,164 14,818 11,164	Financing activities				
Proceeds from borrowings 11,411 79,762 20,530 99,37 Repayment of borrowings (5,523) (38,865) (11,338) (52,06) Hire purchase instalments paid (2,130) (2,610) (4,255) (5,38) Issuance of ordinary shares - 645 - 77 Net cash flows (used in)/from financing activities (3,843) 26,292 (2,664) 30,09 Net (decrease)/increase in cash and cash equivalents (938) 5,859 (3,463) 5,84 Effect of exchange rate changes on cash and cash equivalents 1 - (9) 1 Cash and cash equivalents as at beginning of period 12,283 11,164 14,818 11,164	Dividend paid	(7,601)	(12,640)	(7,601)	(12,640
Repayment of borrowings(5,523)(38,865)(11,338)(52,06)Hire purchase instalments paid(2,130)(2,610)(4,255)(5,35)Issuance of ordinary shares-645-77Net cash flows (used in)/from financing activities(3,843)26,292(2,664)30,09Net (decrease)/increase in cash and cash equivalents(938)5,859(3,463)5,84Effect of exchange rate changes on cash and cash equivalents1-(9)1Cash and cash equivalents as at beginning of period12,28311,16414,81811,164	Proceeds from borrowings			20,530	99,374
Hire purchase instalments paid(2,130)(2,610)(4,255)(5,35)Issuance of ordinary shares-645-77Net cash flows (used in)/from financing activities(3,843)26,292(2,664)30,05Net (decrease)/increase in cash and cash equivalents(938)5,859(3,463)5,84Effect of exchange rate changes on cash and cash equivalents1-(9)1Cash and cash equivalents as at beginning of period12,28311,16414,81811,164	-	(5,523)	(38,865)	(11,338)	(52,063
Net cash flows (used in)/from financing activities (3,843) 26,292 (2,664) 30,05 Net (decrease)/increase in cash and cash equivalents (938) 5,859 (3,463) 5,843 Effect of exchange rate changes on cash and cash equivalents 1 - (9) 1 Cash and cash equivalents as at beginning of period 12,283 11,164 14,818 11,164	Hire purchase instalments paid	(2,130)			(5,351
Net (decrease)/increase in cash and cash equivalents(938)5,859(3,463)5,84Effect of exchange rate changes on cash and cash equivalents1-(9)1Cash and cash equivalents as at beginning of period12,28311,16414,81811,164	Issuance of ordinary shares	-	645	-	773
Effect of exchange rate changes on cash and cash equivalents 1 (9) 1 Cash and cash equivalents as at beginning of period 12,283 11,164 14,818 11,164	Net cash flows (used in)/from financing activities	(3,843)	26,292	(2,664)	30,093
Cash and cash equivalents as at beginning of period 12,283 11,164 14,818 11,16	Net (decrease)/increase in cash and cash equivalents	(938)	5,859	(3,463)	5,842
Cash and cash equivalents as at beginning of period 12,283 11,164 14,818 11,16	Effect of exchange rate changes on cash and cash equivalents	1	-	(9)	19
Cash and cash equivalents as at end of period 11,346 17,023 11,346 17,02	Cash and cash equivalents as at beginning of period	12,283	11,164		11,162
	Cash and cash equivalents as at end of period	11,346	17,023	11,346	17,023

1(d)(i) STATEMENT OF COMPREHENSIVE INCOME

STATEWENT OF COWFRENENSIVE INCOWE						
	Group					
	2Q 2014	2Q 2013	Fav/(Unfav)	Half-year	Half-year	Fav/(Unfav)
	30/06/2014	30/06/2013		30/06/2014	30/06/2013	
	\$'000	\$'000	%	\$'000	\$'000	%
Profit after tax	(5,260)	8,628	NA	(7,171)	20,150	NA
Foreign currency translation	18	203	91.1	(426)	438	NA
Total comprehensive income	(5,242)	8,831	NA	(7,597)	20,588	NA

1(d)(ii) STATEMENT OF CHANGES IN EQUITY

STATEMENT OF CHANGES IN EQUITY						
				Foreign		
				currency		
	Share	Capital	Share option	translation	Retained	
	capital	reserves	reserves	reserves	earnings	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
GROUP						
Balance at 1 January 2014	96,379	17,411	12,800	(4,381)	194,218	316,427
Total comprehensive income for the period	-	-	-	(444)	(1,911)	(2,355
Balance at 31 March 2014	96,379	17,411	12,800	(4,825)	192,307	314,072
Total comprehensive income for the period	-	-	-	18	(5,260)	(5,242
Dividend on ordinary shares	-	-	-	-	(7,601)	(7,601
Balance at 30 June 2014	96,379	17,411	12,800	(4,807)	179,446	301,229
Balance at 1 January 2013	95,512	17,411	12,800	(3,916)	201,319	323,126
Total comprehensive income for the period	-	-	-	235	11,522	11,757
Issuance of shares	128	-	-	-	-	128
Balance at 31 March 2013	95,640	17,411	12,800	(3,681)	212,841	335,011
Total comprehensive income for the period	-	-	-	203	8,628	8,831
Dividend on ordinary shares	-	-	-	-	(12,640)	(12,640
Issuance of shares	645	-	-	-	-	645
Balance at 30 June 2013	96,285	17,411	12,800	(3,478)	208,829	331,847
<u>COMPANY</u>						
Balance at 1 January 2014	96,379	10,574	12,800	-	(2,834)	116,919
Total comprehensive income for the period	-	-	-	-	12	12
Balance at 31 March 2014	96,379	10,574	12,800	-	(2,822)	116,931
Total comprehensive income for the period	-	-	-	-	12	12
Dividend on ordinary shares	-	-	-	-	(7,601)	(7,601
Balance at 30 June 2014	96,379	10,574	12,800	-	(10,411)	109,342
Balance at 1 January 2013	95,512	10,574	12,800	-	(13,394)	105,492
Total comprehensive income for the period	-	-	-	-	160	160
Issuance of shares	128	-	-	-	-	128
Balance at 31 March 2013	95,640	10,574	12,800	-	(13,234)	105,780
Total comprehensive income for the period	-	-	-	-	303	303
Dividend on ordinary shares	-	-	-	-	(12,640)	(12,640
Issuance of shares	645	-	-	-	-	645
Balance at 30 June 2013	96,285	10,574	12,800	-	(25,571)	94,088

1(d)(iii)&(iv) SHARE CAPITAL

There were no shares issued during the period from 1 April 2014 to 30 June 2014.

As at 30 June 2014, there were 73,220,000 (30 June 2013: 73,704,000) unissued ordinary shares relating to options granted and unexercised under the Employee Share Option Scheme.

As at 30 June 2014, the total number of issued shares was 1,266,942,003 (31 December 2013: 1,266,942,003).

2 AUDIT

These figures have not been audited or reviewed by the auditors.

3 AUDITOR'S REPORT

Not applicable.

4 ACCOUNTING POLICIES

The Group has adopted the same accounting policies and methods of computation in the financial statements for the current reporting period as those in the financial year ended 31 December 2013, except as disclosed in paragraph 5 below.

5 CHANGES IN ACCOUNTING POLICIES

The Group adopted the new/revised FRS and Interpretations of FRS ("INT FRS") that are effective for annual periods beginning on or after 1 January 2014. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective FRS and INT FRS.

The adoption of these FRS and INT FRS did not have any significant impact on the financial statements of the Group.

6 EARNINGS PER SHARE

Earnings per share for the period based on net profit attributable to shareholders:-

	Group (cents)			
	2Q 2014	2Q 2013	Half-year	Half-year
	30/06/2014	30/06/2013	30/06/2014	30/06/2013
(i) Based on weighted average number of shares in issue	(0.42)	0.68	(0.57)	1.59
(ii) On a fully diluted basis	(0.41)	0.66	(0.56)	1.55

Crown (conto)

The computation of basic earnings per share for 2Q FY2014 is based on the weighted average number of shares of 1,266,942,003 (2Q FY2013: 1,265,166,003) and weighted average number of shares for diluted earnings of 1,287,659,920 (2Q FY2013: 1,301,251,139).

The computation of basic earnings per share for the period ended 1H FY2014 is based on the weighted average number of shares of 1.266,942,003 (1H FY2013: 1.263,950,503) and weighted average number of shares for diluted earnings of 1.287,659,920 (1H FY2013: 1,300,035,639).

7 NET ASSET VALUE PER SHARE

Net asset

	Group	(cents)	Company (cents)		
	30/6/2014	31/12/2013	30/6/2014	31/12/2013	
alue per share	23.78	24.98	8.63	9.23	

8 **REVIEW OF THE PERFORMANCE OF THE GROUP**

The Group enjoyed several years of strong performance when it was involved consecutively in a number of iconic projects in Singapore that yielded attractive margins. Since FY2013, regular infrastructural and construction projects undertaken earned lower gross margins, both due to the nature of the projects and increasing competitive pressure.

While outlook and business prospects remain positive, the Group has decided to focus on high yield projects that deliver a certain level of return. The Group, thus will maintain its resources in anticipation of winning more projects in the second half of FY2014.

With the completion of the mega Marina Coastal Expressway ("MCE") contracts at the end of FY2013, the Singapore Sports Hub at the end of 1QFY2014 and no new project secured during the quarter ended June 30, 2014 ("2QFY2014"), Group revenue dropped by 46.5% to \$61.6 million, compared to \$115.1 million in 2QFY2013. However, quarter-on-quarter, Group revenue fell by a lower 14%, from \$71.8 million in 1QFY2014

Revenue contribution from Specialist Civil Engineering segment decreased by 33.4% year-on-year, from \$44.7 million in 2Q FY2013 to \$29.7 million in 2QFY2014. Quarter-on-quarter, however, revenue from Specialist Civil Engineering improved by 4%, from \$28.5 million in 1QFY2014. The contributions were received from on-going projects, including MRT Downtown Line 2, Downtown Line 3 and the Hong Kong MTR.

Revenue from Structural Steelwork projects recorded a similar year-on-year decrease of 54.9%, from \$70.4 million in 2Q FY2013 to \$31.7 million in 2QFY2014. Quarter-on-quarter, this segment saw a lower decline of 27%, from \$43.3 million in 1QFY2014. South Beach Development, National Art Gallery, Market Street and Marina One were the key contributors to Structural Steelworks revenue in the quarter under review.

Lower margin projects with higher fixed production and project overheads as a result of lower fabrication and erection activities caused the Group to incur a gross loss of \$2.9 million, compared to gross profit of \$22.4 million in 2QFY2013.

General and administrative expenses decreased by \$8.8 million to \$2.6 million in view of a one-off \$5.1 million provision for doubtful debt made in 2QFY2013. Excluding the provision, general and administrative expenses would have decreased by \$3.7 million in 2QFY2014, mainly due to lower general and administrative staff costs. Finance costs increased from \$0.6 million to \$1.1 million in 2QFY2014 due to higher bank interest and charges. Consequently, the Group recorded a net loss of \$5.3 million in 2QFY2014, compared to a profit of \$8.6 million in 2QFY2013.

As a result, the Group registered a loss per share of 0.42 Singapore cent in 2QFY2014, compared to earnings per share of 0.68 Singapore cent in 2QFY2013. Net asset value per share declined marginally by 1.2 Singapore cents, from 24.98 Singapore cents as at 31 December 2013 to 23.78 Singapore cents as at 30 June 2014.

Nonetheless, net gearing remained at a healthy level of 0.59 times as at 30 June 2014, notwithstanding a marginal increase from 0.53 times as at 31 December 2013.

9 Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results

The results are in line with statement made in results announcement for the financial period ended 31 March 2014.

10 A commentary at the date of the announcement of the competitive conditions of the industry in which the group operates and any known factors or event that may effect the group in the next reporting period and the next 12 months

The Group expects FY2014 to be challenging as its performance continues to be dependent on securing new contracts in the remaining months of the year. Even if secured, most of these new contracts will start contributing only from the last quarter of FY2014.

Going forward, the Group is further reviewing its project cost management to improve cost efficiencies and putting in place additional checks and balances to ensure better project management and cost effectiveness.

Outlook for infrastructural developments and commercial projects in Singapore and the region remains positive. The Group will continue to use its resources to actively bid for high yield projects in Singapore and in the region.

The Group, together with consortium partners, Changi Airport Planners and Engineers and JGC Corporation had, on 22 April 2014, resubmitted its proposal for the design, construction, operation and maintenance of the Hanthawaddy International Airport in Myanmar.

The Group is also currently in active pursuit of \$1.1 billion worth of new infrastructural and commercial projects in Singapore, Hong Kong, India and the Middle East of which 40%, if awarded, is expected to commence in the last quarter of FY2014.

The Group's order book stood at \$275 million at the end of June 2014.

11 DIVIDEND

(a) Current financial period reported on

None

(b) Corresponding period of the immediately preceding financial year

None

12 If no dividend has been declared / recommended, a statement to the effect

No dividend has been recommended for the period ended 30 June 2014.

13 Interested Person Transactions

The Group has not obtained a general mandate from shareholders for Interested Person Transactions.

14 Negative assurance

The Board of Directors hereby confirms that, to the best of its knowledge, nothing has come to its attention which may render the financial results for the 6 months ended 30 June 2014 to be false or misleading.

BY ORDER OF THE BOARD

SEOW SOON YONG Chief Executive Officer CHIA SIN CHENG Finance & Executive Director

Date: 6 August 2014